

STATE OF ARKANSAS

DEPARTMENT OF FINANCE AND ADMINISTRATION

CONSOLIDATED INCENTIVE ACT OF 2003 ANNUAL SALES AND USE TAX REFUND PROGRAM

TAX BACK

FORMS AND INSTRUCTIONS

CONTENTS:

General Instructions

Schedule A – Listing of Qualified Tax Paid Purchases

Form Tax Back 1000- Annual Sales and Use Tax Refund Request

Form Tax Back 1100 – Contractor/Developer Waiver of Refund

(Note: These forms are needed for the term of the agreement and may be copied. The business is encouraged to use computer-generated spreadsheets, when convenient, to provide the required information.)

STATE OF ARKANSAS
DEPARTMENT OF FINANCE AND ADMINISTRATION
TAX CREDITS/SPECIAL REFUNDS SECTION

CONSOLIDATED INCENTIVE ACT OF 2003

TAX BACK PROGRAM

GENERAL INSTRUCTIONS - ANNUAL SALES AND USE TAX REFUNDS

- 1) Eligible participants must have entered into a financial incentive agreement with the Arkansas Department of Economic Development (ADED) in order to receive annual sales and use tax refunds. To receive these refunds, the following forms must be submitted: (Copies are included for your use)

a) Schedule A – Listing of Qualified Tax Paid Purchases

For convenience, the business is encouraged to use computer-generated spreadsheets that contain the required information.

List only those annual purchases (during a calendar year as determined by the invoice date), which qualify for refund under the Consolidated Incentive Act of 2003. This includes purchase of the material used in the construction of a building or buildings or any addition, modernization or improvement to a new or expanding business; and purchases of machinery or equipment associated with the building or project. A refund shall not be allowed for routine operating expenditures, the purchase of replacement items previously purchased as part of a project; unless, the items previously purchased will not enable the project to function as originally intended, licensed motor vehicles, or expenditures for routine repair and maintenance that do not result in new construction or expansion. Eligible project costs must be incurred within four (4) years of the financial incentive agreement.

The State tax amount paid must be separate from the total tax paid. Any authorized local tax claimed must be identified by the four (4) digit local codes assigned and published by the Sales and Use Tax Section. NOTE: List only the local tax paid which has been authorized for refund by the city or county shown on the endorsement resolution.

If applicable, separate Schedule A's may be submitted for each contractor or subcontractor in addition to the schedules for purchases made by the business approved into the Tax Back Program.

b) FORM Tax Back 1000 – Annual Sales and Use Tax Refund Request

This form is used by the approved Tax Back Program business to claim the annual refund of sales and use taxes paid. All information requested on this form must be provided in order to process a claim. The total tax claimed should equal the total amount shown on the attached Schedule A's. The claim must have the authorized signature of a partner, corporate officer or the sole proprietor of the business.

c) FORM Tax Back 1100 – Contractor/Developer Waiver of Refund

This notarized affidavit must be submitted when tax paid on purchases made by the contractor/developer is being claimed for refund by the Tax Back Program business. The original form must be submitted with the initial refund request. When submitting subsequent claims for taxes paid by the contractor or developer, a copy of the form must be included. The waiver is only valid for refunds during the time period stated on the form.

- 2) The above items should be completed at the end of each calendar year in which the business is entitled to receive refunds. To receive a timely refund, this information must be mailed by January 31st to the following address:

Department of Finance and Administration
Tax Credits/Special Refunds Section
P.O. Box 1272
Little Rock, AR 72203-1272

- 3) Upon receipt of the above items, the information will be forwarded to a tax auditor for review. The contact person shown on the Form Tax Back 1000 will be notified of the review and arrangements will be made to meet at a mutually convenient time. Note: Failure to submit the required documents in a timely manner or as requested, will cause a delay in incentive payments.
- 4) A refund check will be issued following the review of the claimed refund.

Should you have any questions regarding these procedures, please contact this office at (501) 682-7106.

SCHEDULE A – QUALIFIED PURCHASES (TAX BACK PROGAM) Page ____ of ____

Owner or Contractor _____			Period Covered _____ - _____		Project Number _____				
Item #	Invoice Number	Invoice Date	Vendor's Name	Purchase Price Before Tax	State Tax Paid	Local _____ Tax Paid	Local _____ Tax Paid	Description of Items Purchased	Adj Code
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
Page Totals								PAY_____DEL_____	

NOTE: This is the format. We request you put on a disk or CD using Microsoft Excel and attach to your audit request.

PAGE TOTALS

PAY _____DEL_____

STATE OF ARKANSAS
CONSOLIDATED INCENTIVE ACT OF 2003**TAX BACK PROGRAM****ANNUAL SALES AND USE TAX REFUND REQUEST**

To: Department of Finance and Administration
Tax Credits/Special Refunds Section
P. O. Box 1272
Little Rock, AR 72203

I, _____ (an officer, partner, or sole owner) of the business stated below, request a refund of Arkansas Sales and Use Taxes paid on qualified materials, machinery and equipment purchased in connection with the following project: _____

I certify that the materials, machinery and equipment included in this request for refund are expected to qualify under this Act. I further certify that we will keep on file or be responsible for making available all purchase invoices relating to our claim for refund and understand that failure to make such invoices available within a reasonable time may result in a denial of refund for those taxes. I agree that I am liable for repayment of any sales and use tax, plus penalty and interest, if it is later determined that I am not entitled to refund under the provisions of this Act.

In addition to other requirements of this Act, an investment in excess of \$100,000 must be met as well as a minimum payroll threshold which is determined by the county "Tier" level set forth in a job creation agreement entered, or to be entered, into with the Arkansas Department of Economic Development. As of the end of the calendar year covered by this request, the total project investment is \$ _____. For the annual payroll period _____, the total taxable wages paid to the "new full time permanent employees" is \$ _____.

Calendar Year Covered by Refund Request _____

Amount of Refund Requested:	<u>State Tax</u>	\$ _____
Local Tax (name/code)	_____	\$ _____
Local Tax (name/code)	_____	\$ _____
Local Tax (name/code)	_____	\$ _____
	Total	\$ _____

Business Name _____ FEIN _____

Address _____ Phone # _____

Contact Person _____ Phone # _____

Sales and Use Tax Permit Number _____

Signature/Title _____ Date _____

**STATE OF ARKANSAS
CONSOLIDATED INCENTIVE ACT OF 2003**

TAX BACK PROGRAM

CONTRACTOR/DEVELOPER WAIVER OF REFUND

I, _____ (an officer, partner, or sole owner)

hereby request that any and all Arkansas Sales and Use Taxes paid on qualified materials, machinery and equipment purchased by _____ (contractor) to be refunded directly to _____ (name of Tax Back Program business).

I hereby relinquish all rights to any Arkansas Sales and Use Taxes paid on the purchase of materials used in the construction of a building or buildings, or any addition or improvement thereon, for housing the Tax Back business and the machinery and equipment to be located in or in connection with such building.

Job Site _____

Contract Description _____

Period Covered by Waiver _____ thru _____

Contractor's Name _____

Address _____

Telephone # _____

Sales and Use Tax Permit Number _____

Signature/Title _____ Date _____

Subscribed and Sworn to before me this _____ day of _____, _____

(Notary Public)

My Commission Expires